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TEAMSTERS: SPENDING BILL OFFERS RELIEF, BUT PASSES THE BUCK ON LARGER PENSION FIX

'Cadillac Tax' Repeal on Health Plans is Big Victory for Union Workers

(WASHINGTON) – The fiscal year 2020 omnibus spending bill approved by Congress this week provides resources for many critical investments that better the lives of working Americans, but also misses the mark by not including a broad fix for the nation's faltering multiemployer pension plans.

While the repeal of a 40 percent excise tax on high-quality health benefits held by many Teamsters and others has long been sought by the union, the Teamsters are deeply disappointed that Congress did not include the House-passed Rehabilitation for Multiemployer Pensions Act – also known as the Butch Lewis Act – in the final version of the spending deal.

"While we recognize the precarious position of the mineworkers' pension and health funds which the spending package addresses, they are not alone," Teamsters General President Jim Hoffa said. "Through no fault of their own, the earned pension benefits of millions of retirees and workers – Teamsters, ironworkers, bakery & confectionary workers, musicians, among others – are being threatened due to the pending insolvency of a number of other multiemployer pension plans.

"These retirees and families should not have to live with this uncertainty and continue to have their lives turned upside down," he continued. "The Teamsters Union will continue to fight vigorously for passage of the Butch Lewis Act in the new year."

The bipartisan legislation, thanks in large part to the hard work of Reps. Richard Neal of Massachusetts and Peter King of New York, passed the House on a 264-169 vote and was sent to the Senate on July 25. The Butch Lewis Act aims at financially supporting critical and declining pension plans so they don't fail. The measure ensures that retirees and workers receive the benefits they have earned through decades of hard work.

On the "Cadillac Tax" repeal, Congress' approval of the language marks the culmination of a 10-year effort led by Rep. Joe Courtney (D-Conn.) to strip the needlessly punitive provision that would have hit hardworking Americans hard, Hoffa said.

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"It is a huge win not only for our Teamster families, but for all middle-class families who were facing this misguided tax on their hard-won health care benefits," he said. "With working families facing the hollowing out of health care benefits and increasing out-of-pocket costs, it is past time to reverse this misguided policy."

Additionally, the omnibus spending bill:

- Restores the steep funding cut proposed for the National Labor Board which protects a worker's right to organize and bargain collectively;
- Provides increased funds to the Labor Department's Wage & Hour Division and OSHA to ensure that workers receive the wages and overtime pay they have earned, and that they have a safe and healthy workplace;
- Increases funding for grants to improve countries' capacity to enforce labor rights agreed to under U.S. trade agreements and trade preference programs by providing resources for additional monitoring and enforcement staff, including at critical U.S. embassies for monitoring and labor compliance; and
- Continues a vigorous effort to combat the scourge of the opioid epidemic faced by far too many communities and families, including Teamster families.

Founded in 1903, the International Brotherhood of Teamsters represents 1.5 million hardworking men and women throughout the United States, Canada and Puerto Rico. Visit teamster.org for more information. Follow us on Twitter @Teamsters and "like" us on Facebook at facebook.com/teamsters.